

Hello everyone. This is Wayne Rivers at FBI where *We Build Better Contractors*.

This week I want to talk about the seductiveness of NO. Two housekeeping things. We have a new Boot Camp class starting February 9-10, 2023. So go ahead and get your folks signed up. Second thing is we are hiring. We are looking for people who can be terrific consultants and facilitators. We prefer construction insiders, although that doesn't have to be the case. So, if you know someone that you think would be just a terrific addition to the FBI team, let us know. We would like to hear from you.

Okay. A few weeks ago, a contractor called me, and he had a bit of a problem. They're at an inflection point in the business. I'm not quite clear on this, but they're losing their MBE status or something like that. I'm not exactly clear on that, but they're at this inflection point. They've relied on this pipeline of work for years and that pipeline is coming to an end in the next six months. So, they know they've got to retool and do some things differently and they're not going to be the preferred contractor for certain kinds of work.

They've got a couple 50/50 owners and they said, "You're a little older than me and I'm a little younger than you and we're at this inflection point. We should probably talk about what we're going to do after this program runs out." They sat down with an attorney, and they came up with a plan and it was in outline form. It wasn't in long form, but the two partners agreed on it and they said, "Yeah, this is probably a good idea. It's a change that'll be beneficial for the company and our people in the long run."

Well, one of the partners unilaterally said, "Ah, you know what? I'm rethinking it. I'm not too keen on it anymore. I don't want to do it." So, the others said, "Okay, well that's cool. We can come up with a deal between us that we think will work." He laid out three options. One was, I buy you out or you buy me out. Which is kind of, I mean, that's a buy, sell go to. They don't have a buy-sell agreement, which is a bit of a problem. But the other partner just came back with no, no, no, no. He even came up with an absurd plan of his own creation that was so absurd he knew it was going to be a no.

So, I've seen this happen over the years in so many construction firms where there's multiple owners or there's a really strong CFO, or COO or something, and the people just reflexively always say no. What do you do when you've got somebody that hamstringing every new initiative, every new opportunity, prevents growth, prevents change by saying no all the time? What do you do? So, in this case, we've got I think five tips to help you with that. All right.

I remember one time talking to a contractor and they were really upset with their CPA, their outside CPA. Stuff was always late. The guy charged a fortune. He didn't have a big staff. He didn't use modern technology and tools. So, we knew a local person that our other contractors liked quite a bit. So, we had him to go over there and visit and he could cut their cost by 60%. We knew he did on time delivery, all this stuff, other stuff and they had a partner and he just said, "No, I want to stay with the other guy."

No always wins. Why is that? Why is NO so powerful and why is it so seductive to certain people in construction? Well, the first thing is, it's easier... For the people that say no, why do they always win the day? First of all, it's easier to acquiesce to those people than to continue to fight those battles and don't think they don't know that. The second thing is, it allows everyone to cling to the status quo, which although it may not be comfortable and you may know you need to change, not changing is always easier than violating the status quo. Then the third thing is that people have a fear that pushing through no and actually starting to change may make things worse.

Here's a dirty little secret. It will. In the short run, things will get worse because you're going to be uncomfortable. You're leaving the status quo. You're getting outside your comfort zones. It's going to take you a while to master a new technology or a new technique or bring in a new partner. It's going to take a while for that. It's like putting on a new pair of shoes. It takes a while to break them in and it takes a while to break in any kind of change. But if you continually give in to the people that say no in your organization, ultimately that's a business death sentence.

It costs you people. In today's world, you can't afford to lose your talented people because you're unwilling to change, and adapt, and modernize and grow and do all those things. It costs you time. Putting up with no, no, no, no, no, it sets you back years, if not decades in some cases. It prevents you from modernizing and doing all the things that you could and should do to make your organization more effective for your people and your clients.

Ultimately, of course, it costs you money. In the short run, it seems like you're saving money. In the long run it costs you a bundle I can tell you that. Entropy is, we all learn this one in physical science back in the day, the natural tend to disorder. So, if you think about most of us pay some money to take care of our yards. If you think about it, if those people didn't mow, and trim, and edge and fertilize and plant and do all those things, think about what your yard would look like in six months if you just eliminated all that care taking. The way to think of it is, if you don't use weed control, you get weeds.

It's the same thing in your business. If you don't have some form of weed control, if you don't have some form of action other than acquiescing to no, then you're going to have weeds. Who wants a weedy organization? Okay. All right.

What if you're trapped in a system where NO always seems to rule the day? Five tips. First thing is be non-reactive. I mean, there's no point in getting mad and getting angry. In fact, sometimes that's what the naysayers want you to do. You're easier to control when you're angry and out of control in your own mind. The second thing is probe for areas where there's even a little yes. Okay, so maybe you want to do a hundred percent of something. Is there a 5% piece you could carve off over here and a 3% piece you could carve off over there to start getting little yeses? Because the momentum, the momentum of yes starts to build just as the momentum of no builds.

The third thing is be the model. If you want other people in your organization to change, you have to model the changes. You have to walk the walk. Is that the way you say it? So, start with your own attitudes, behaviors and other things so that you can be an authentic example to the other people in your organization. The fourth thing, find areas that you can change unilaterally without going to your partners or your superiors. If you're running a crew on a job site, you can start to do innovative things with that crew. Not things that violate company policy, but things with that crew to build morale, to build comradery, to do all kinds of things, to enhance the quality of the team. Then you become the example that other people in the organization see. So, figure out where you can unilaterally affect change and you can do that, especially if you're the model. Tip number four.

Finally, tip number five and this is what I advised my contractor caller to do, play hardball. He had tried, this has been going on for a year. He had tried everything. He even just said, "What if we just stay status quo and don't do anything and then in five years' time this will happen?" The guy said no to that as well. My advice to him was the fifth tip. You got to play hardball. Saying no repeatedly, refusing to change, basically, refusing to talk substantively about an important issue that affects the very company and the very future of the people that work there, that's hardball. I told this guy to go out and find the meanest lawyer that he can and fire a shot across the bow and let his partner know that you are giving me no choice. I've got to do this for myself and for my family, and for the people on the team that sort of lean towards me. I don't feel like you're giving me a choice.

The guy had tons of equity tied up in the business and he was worried about... I mean, he had worked for all these years to make 50% of the company worth something just like his partner had. To see that begin to decline was a frightening thing for him. So, I'd like to know what works for you. When there are people in your organization that always say no, that want to slow you down, that want to hold you back, what do you do about those people? What techniques have you used successfully and what do you think about the junkyard dog lawyer idea? Is that a good or a bad suggestion for a fellow contractor? This is Wayne Rivers at FBI and *We Build Better Contractors*.